

OFFICE OF THE TREASURER

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The Treasury Note

A monthly newsletter of municipal finance
November 1, 2001

California Housing Finance Agency (CHFA)

The Treasury Note is proud to present another article in a continuing series intended to familiarize our readers with the types of bonds issued by the State of California. Our last such article, presented in the March issue of *The Treasury Note*, covered the State Public Works Board.

This article features the California Housing Finance Agency (CHFA). CHFA was created by state statute in 1975 for the purpose of meeting the housing needs of low- or moderate-income people. The State Treasurer is a member of CHFA's 14 member Board of Directors. To support its mission, CHFA operates several multi-family (rental housing), homeownership, and community partnership programs.

The multi-family programs provide financing for the acquisition, rehabilitation, and permanent financing of rental housing developments. CHFA's homeownership programs assist low- and moderate-income first-time homebuyers with mortgage loans, downpayment assistance, and mortgage insurance. CHFA has partnered with 140 of California's local agencies to provide joint financing of home loans under its Affordable Housing Partnership Program and has lent \$32.3 million directly to local housing agencies under its Housing Enabled by Local Partnerships Program.

CHFA issues bonds throughout the year to support these programs. So far this calendar year, CHFA has issued a total of \$1.38 billion of bonds and notes, including \$1.24 billion for its homeownership

programs and \$135 million for rental housing. In its 26-year history, the Agency has issued over \$17.86 billion in housing bonds and notes. The bonds are not obligations of the State's General Fund and are payable solely from the revenues, assets, and properties pledged by CHFA under its various indentures.

CHFA is tentatively scheduled to issue bonds on November 13, 14, and December 4, 2001. For more information regarding CHFA, please visit CHFA's website at www.chfa.ca.gov or call (916) 322-3991.

Bondholder Services

The State Treasurer's Office has appointed Bank of New York Western Trust Company as the State's registrar and paying agent for the State's \$6 billion in outstanding bearer and registered bonds. The transfer will take place in phases over the next two years, with full implementation by July 1, 2003.

Appointing the Bank of New York will save the State money and maintain the high standard of service to which State of California bondholders have become accustomed.

Bondholders will receive a letter when servicing for their particular bond has been transferred to the Bank of New York. If you need additional assistance, please contact the Bondholder Services Section at (800) 900-3873.

Redemptions & Defeasances

This listing reflects redemption and defeasances officially announced as of November 1, 2001.

Department of Veterans Affairs of the State of California, Home Purchase Revenue Bonds, 1998 Series A, Dated Date: May 5, 1998 (Partial Redemption).

\$4,540,000 of the bonds due December 1, 2018 and \$5,040,000 of the bonds due December 1, 2019 are being redeemed on December 1, 2001.

Questions regarding redemptions or registration information can be directed to the *Investor Relations Section* at (800) 900-3873.

For Your Information

Tax season is approaching and if you received a redemption payment from our office in 2001, you will receive a 1099-B Notice. Our office will mail the forms on or before January 31, 2002. Please contact the *Bondholder Services Section* at (800) 900-3873 if you have questions regarding the 1099-B Notice.

Bond Sales Calendar*

If you are interested in purchasing any of these bonds, please contact your broker two weeks before the sale date. For updated information, check our website (www.treasurer.ca.gov) or call (800) 900-3873.

Frequently Asked Questions

Q: I just received notice from your office that my bond is being called. What do I do now?

A: To redeem your called bond, complete the Federal W-9 form enclosed with the call notice and mail it along with your bond to our office at:

**State Treasurer's Office
Bondholder Services Section
P.O. Box 942809
915 Capitol Mall C-15
Sacramento, CA 94209-0001**

Although it is not legally required, we recommend that you register and insure your bond when mailing it to our office for redemption.

Another option is to redeem the bond directly in our office at:

**State Treasurer's Office
915 Capitol Mall, Room 117
Sacramento, California**

If you have additional questions, please call (800) 900-3873.

BOND SALES	AMOUNT*	SALE DATE*
California Housing Finance Agency Multi-family Housing Revenue Bonds III 2001 Series F (Non-AMT) (Variable Rate), 2001 Series G (AMT) (Variable Rate), 2001 Series H (Taxable) (Variable Rate)	\$110 million	November 13, 2001
California Housing Finance Agency Home Mortgage Revenue Bonds 2001 Series T (AMT)	\$170 million	November 14, 2001
State Public Works Board	\$40 million	November 28, 2001
Department of Veterans Affairs, General Obligation Bonds	To be determined	November 29, 2001
Department of Veterans Affairs, Home Purchase Revenue Bonds	To be determined	November 29, 2001
California Housing Finance Agency Home Mortgage Revenue Bonds 2001 Series U (AMT) (Variable Rate), 2001 Series V (Taxable) (Variable Rate)	\$170 million	December 4, 2001
Department of Water Resources Power Supply Revenue Bonds	\$12.5 billion	To be determined

***Subject to change without notice.**
